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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MAY 26, 2000

APPLICATION OF

BARC ELECTRIC COOPERATIVE

CASE NO. PUE000232

For a revision in retail base  
rates, service charges, and  
terms and conditions for  
electric service

ORDER FOR NOTICE AND HEARING

On May 1, 2000, BARC Electric Cooperative ("BARC" or the "Cooperative") filed an application with the State Corporation Commission ("Commission") to revise its retail base rates, service charges, and terms and conditions for electric service. The proposed tariff revisions would increase the Cooperative's annual jurisdictional revenues by \$815,679.00 or 7.00%. The Cooperative's requested increase in annual jurisdictional revenues is anticipated to produce a Times Interest Ratio ("TIER") of 2.07, using pro forma interest and a rate of return of 8.16%. According to BARC, its rates have been designed to produce an increase in jurisdictional base revenues of \$766,039, after the elimination of Rider Surcharges OD-11, OD-12, and OD-13. Other electric revenues have been increased by \$49,640. Pursuant to § 56-582 of the Code of Virginia, as amended, the Cooperative's proposed rate and tariff revisions may not become effective, even on an interim basis, until January 1, 2001.

Specifically, the Cooperative proposes the following:

BARC's Rural Electric Service Schedule (Residential) facilities charge would be increased from \$11.00 to \$12.50 per month; the Commercial and Small Power Service Schedule facilities charge would be increased from \$14.00 to \$17.30 per month for single phase service, and from \$14.00 to \$28.00 per month for three-phase service. Energy blocks for these facilities charge Schedules would also be revised. The Large Power Service Schedule LP-1 service charge would be increased from \$30.00 to \$50.00 per month; the kW demand charge is proposed to be reduced from \$11.00 to \$10.00 per kW; and energy blocks would also be revised.

Further, BARC proposes an additional rate schedule, Schedule LP-2, for Large Power Service for customers with at least 1,000 kW of load taking service directly from a BARC-owned substation at 12,470 volts. The consumer delivery charge for this Schedule would be \$100.00 per month. BARC also proposes to add Schedule SK1 area service for customers who have loads that are not in operation during wholesale billing peaks. The consumer delivery charge for this Schedule would be \$50.00 per month.

The Cooperative proposes to revise the Yard Lighting Service, Schedule Y. Customers requesting yard light

installations that cannot be placed on existing facilities will be required to pay a contribution in aid of construction.

As noted in the Cooperative's application, other revenue increases would result from increasing the following fees: Collection from \$15.00 to \$25.00; Reconnection Normal Hours from \$30.00 to \$50.00; 3-Month Meter Readings from \$10.00 to \$20.00; Connection or Reconnect After Hours from \$75.00 to \$85.00; Bad Check Charge from \$10.00 to \$20.00; Connection Fee Normal Hours from \$10.00 to \$20.00; and Yard Light Pole and Guy Installation from \$60.00 to total cost.

NOW, UPON CONSIDERATION of the Cooperative's application and applicable statutes, the Commission is of the opinion and finds that this matter should be docketed; that BARC should be required to give notice to the public of its application; that members of the Commission's Staff should investigate the Cooperative's application and proposed tariff revisions, and should present their findings in testimony in this proceeding; and that a public hearing should be convened in this matter to receive evidence relevant to BARC's application.

Accordingly, IT IS ORDERED THAT:

- (1) This matter be docketed and assigned Case No. PUE000232.
- (2) As provided by § 12.1-31 of the Code of Virginia and Rule 7:1 of the Commission's Rules of Practice and Procedure ("the Rules"), 5 VAC 5-10-520, a Hearing Examiner is appointed

to conduct further proceedings on behalf of the Commission and to file a final report with a transcript of this proceeding.

(3) A public hearing is hereby scheduled before a Hearing Examiner for November 13, 2000, at 10:00 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, for the purpose of receiving evidence relevant to the Cooperative's application.

(4) On or before July 1, 2000, BARC shall cause the following notice, to be published as display advertising (not classified) in the August publication of Cooperative Living:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
BARC ELECTRIC COOPERATIVE, TO REVISE RETAIL  
BASE RATES, SERVICE CHARGES, AND TERMS AND  
CONDITIONS FOR ELECTRIC SERVICE  
CASE NO. PUE000232

On May 1, 2000, BARC Electric Cooperative ("BARC" or the "Cooperative") filed an application with the State Corporation Commission ("Commission") to revise its retail base rates, service charges, and terms and conditions for electric service. The proposed tariff revisions would increase the Cooperative's annual jurisdictional revenues by \$815,679.00 or 7.00%. BARC proposes to roll Rider Surcharges OD-11, OD-12, and OD-13 into its base rates which will produce an increase in jurisdictional base revenues of \$766,039, and to increase other electric revenues by \$49,640. This increase in rates is anticipated to produce an interest coverage ratio of 2.07, using pro forma interest and a rate of return of 8.16%. Pursuant to § 56-582 of the Code of

Virginia, as amended, the proposed rate revisions may not become effective, even on an interim basis, until January 1, 2001.

As proposed in BARC's application, the monthly facilities charges for Rural Electric Schedule (Residential) and for Commercial and Small Power Service Schedule for single phase and three-phase service would be increased. Energy blocks for these Schedules would also be revised. As explained in the application, the Large Power Service Schedule LP-1 service charge would be increased from \$30.00 to \$50.00 per month. The kW demand charge is proposed to be reduced from \$11.00 to \$10.00 per kW, and energy blocks would be revised. An additional rate schedule, Schedule LP-2, for Large Power Service is proposed for customers with at least 1,000 kW of load taking service directly from a BARC-owned substation at 12,470 volts. The consumer delivery charge for this Schedule would be \$100.00 per month. BARC also proposes to add Schedule SK1 area service for customers who have loads that are not in operation during wholesale billing peaks. The consumer delivery charge for the Schedule proposed by the Cooperative is \$50.00 per month.

The Cooperative also proposes to revise its Yard Lighting Service, Schedule Y. Customers requesting yard light installations that cannot be placed on existing facilities will be required to pay a contribution in aid of construction.

According to BARC's application, other revenue increases would result from increasing the Cooperative's fees. The fee increases include those for: Collection, Reconnection Normal Hours, 3-Month Meter Readings, Connection or Reconnect After Hours, Bad Check Charges, Connection Fee Normal Hours, and Yard Light Pole and Guy Installations. The details of these and

other tariff revisions are set out in BARC's application. Interested parties are encouraged to review the application for the details of these and other Cooperative proposals.

A public hearing on BARC's application shall be convened on November 13, 2000, at 10:00 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia. Copies of BARC's application and accompanying documents are available for public inspection between the hours of 8:15 a.m. and 5:00 p.m., Monday through Friday, at the State Corporation Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23218, or can be ordered from counsel for BARC, William B. McClung, Esquire, William B. McClung & Associates, P.C., P.O. Box 1157, Lexington, Virginia 24450.

Any person desiring to comment in writing on BARC's application may do so by directing an original and five (5) copies of such comments on or before October 6, 2000, to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Written comments must refer to Case No. PUE000232. Persons filing comments shall mail a copy of the comments to counsel for BARC, William B. McClung, Esquire, at the address set forth above. Any person desiring to make a statement at the public hearing concerning the application need only appear in the Commission's second floor courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness.

On or before September 15, 2000, any person desiring to participate as a Protestant, as defined in Rule 4:6, 5 VAC 5-

10-180, of the Commission's Rules of Practice and Procedure ("Rules"), shall file with the Clerk of the Commission an original and fifteen (15) copies of a Notice of Protest, as provided in Rule 5:16(a), 5 VAC 5-10-420(B), and shall serve a copy of same on counsel for BARC, William B. McClung, Esquire, at the address set forth herein.

Any person who expects to participate as a protestant pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure, 5 VAC 5-10-180, should promptly obtain a copy of the Order for Notice and Hearing for complete details of the procedural schedule and instructions on participation in this case.

Individuals with disabilities who require an accommodation to participate in the hearing should contact the Commission at least seven (7) days before the scheduled hearing date at 1-800-552-7945 (voice) or 1-804-371-9206 (TDD).

All written communications to the Commission concerning the Cooperative's application should be directed to Joel H. Peck, Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and should refer to Case No. PUE000232.

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(5) On or before June 30, 2000, the Cooperative shall file with the Clerk of the Commission an original and fifteen (15) copies of any additional direct testimony it intends to present in support of its application during the public hearing to be convened on November 13, 2000.

(6) On or before June 30, 2000, the Cooperative shall make available copies of its application, prefiled testimony, and other accompanying documents filed in this matter for public inspection, in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia, between the hours of 8:15 a.m. and 5:00 p.m., Monday through Friday, or these documents may be ordered from counsel for BARC, William B. McClung, Esquire, William B. McClung & Associates, P.C., P.O. Box 1157, Lexington, Virginia 24450.

(7) On or before September 15, 2000, any person desiring to participate as a Protestant, as defined in Rule 4:6, 5 VAC 5-10-180, of the Commission's Rules of Practice and Procedure ("Rules"), shall file with the Clerk of the Commission an original and fifteen (15) copies of a Notice of Protest, as provided in Rule 5:16(a), 5 VAC 5-10-420(B), and shall serve a copy of same on counsel for BARC, William B. McClung, Esquire, at the address set forth above.

(8) Within five (5) days of receipt of a Notice of Protest, BARC shall serve upon each Protestant a copy of this Order, a copy of the application, and all materials now or hereafter filed with the Commission.

(9) On or before October 6, 2000, any person who expects to participate as a Protestant, pursuant to Rule 4:6, VAC 5-10-



180, shall file an original and fifteen (15) copies of a Protest, as provided in Rule 5:16(b), 5 VAC 5-10-420(C), together with an original and fifteen (15) copies of the prepared testimony and exhibits the Protestant intends to present at the November 13, 2000, hearing. Service shall be made upon counsel for BARC at the address set forth above, and on all other parties and Commission Staff.

(10) On or before October 6, 2000, any person desiring to comment in writing on BARC's application may do so by directing an original and five (5) copies of such written comments, to the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia, 23218. Such comments must refer to Case No. PUE000232. Interested parties filing comments shall serve a copy of said comments on counsel for BARC at the address set out herein. Any person desiring to make a statement at the public hearing concerning the application need only appear in the Commission's second floor courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness.

(11) The Cooperative shall respond to written interrogatories within ten (10) business days after the receipt of the same. Protestants shall provide to BARC, other Protestants, and Staff any workpapers or documents used in the preparation of their prefiled testimony promptly upon request.

Except as so modified, discovery shall be in accordance with Part VI of the Rules.

(12) On or before October 20, 2000, Commission Staff shall investigate BARC's application and shall file with the Clerk of the Commission an original and fifteen (15) copies of the prepared testimony and exhibits Staff intends to present at the public hearing scheduled for November 13, 2000, and shall send a copy of the same to counsel for BARC at the address set forth above, and to each Protestant.

(13) On or before November 3, 2000, BARC shall file with the Clerk of the Commission an original and fifteen (15) copies of all testimony it expects to introduce in rebuttal to all of the direct prefiled testimony and exhibits of Commission Staff and Protestants; additional rebuttal evidence may be presented without prefiling, provided it is presented in response to evidence which was not prefiled but elicited at the time of the hearing and, provided further, the need for additional rebuttal evidence is timely addressed by motion during the hearing and leave to present said evidence is granted by the hearing examiner. A copy of the prefiled rebuttal evidence shall be served upon the Commission Staff and all other parties to the proceeding on or before November 3, 2000.

(14) On or before July 1, 2000, BARC shall serve a copy of this Order on the Chairman of the Board of Supervisors of any

county and upon the Mayor or Manager of any county, city or town (or on equivalent officials in counties, towns and cities having alternate forms of government) within BARC's service area.

Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.

(15) BARC shall provide the Commission with proof of the newspaper publication and proof of service required by Ordering Paragraphs (4) and (14) herein at the public hearing scheduled for November 13, 2000.